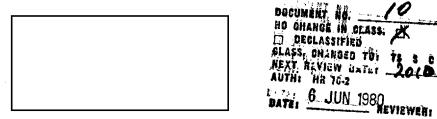
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13 January 1960

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### CENTRAL

# INTELLIGENCE

## BULLETIN



State Department review completed

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of desperation at the prospect of early African rule, and the British may put forward a formula which, while including concessions, will fall short of African demands and include cer-

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tain guarantees for Kenya's minority groups.7 (Page 3)

III. THE WEST

Cuba - Communist China: Recent developments indicate increasing Cuban contacts with Communist China, and we believe that the Castro government will probably recognize Peiping sometime this year.

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Venezuela: The rioting in Caracas on 11 January began as a protest by several hundred unemployed persons against a reduction in the government's public works program. Agitators. probably including Communists, exploited the demonstration to embarrass President Betancourt's non-Communist coalition. This outbreak came in the wake of a series of terrorist bombings since the first of the year. Betancourt has the situation under control at present, and for the time being commands the loyalty of the majority of the armed forces. There are military elements, however, that might use any further unrest as a pretext for attempting to take over the government.

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DAILY BRIEF

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### Sukarno Creates National Front, Imposes New Regulations On Political Parties

President Sukarno on 12 January announced the creation of a new mass organization, the National Front, which he heads himself and which he hopes will further his concept of "guided democracy." The creation of the front is aimed at the fulfillment of Sukarno's goal of one large all-inclusive party. It appears, however, to offer opportunities for large-scale Communist infiltration.

The stated aims of the Front are "completion of the national revolution," achievement of a just and prosperous society, and "restoration" of West Irian (Netherlands New Guinea) to Indonesia. Membership is open to every Indonesian citizen who supports these aims.

At the same time, Sukarno has moved further to reduce the influence of political parties. A new presidential act decrees that a recognized political party must be organized in at least one quarter of Indonesia's twenty-one provinces and must not, without government permission, receive aid from or give aid to any foreign quarter. The act establishes Sukarno's authority to dissolve any party whose principles and actions conflict with those of the state, whose program is intended to change the aim and goal of the state, or which engages in or assists rebellion against the state. The president also has the right to inspect the property, administration, and finances of a party at any time.

The regulations on political parties should reduce the present multitude of political parties—which may total as many as 80—to less than a dozen. Sukarno has not indicated whether he plans to use his authority to dissolve parties. Although the wording of the provision on dissolution appears directed at the Moslem Masjumi and the Communist party, it is unlikely that Sukarno would soon take direct and drastic action against the Communists.

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The conference to revise Kenya's constitution, scheduled to begin in London on 18 January, may include the setting of a date for internal self-rule. Nationalist leaders reportedly are "supremely confident" concerning the outcome of the conference.  Spokesmen for Kenya's Asian minority, who had previously avoided endorsement of African independence demands, have lately rallied to the nationalist cause. At the same time, African leaders who had split into two parties during 1959 mended their rift for the purpose of presenting a common front at the conference. The Africans demand internal autonomy for Kenya during 1960, as has been promised by the British to the trust territory of Tanganyika.  Although there are no indications that the British are prepared to go this far, they may accede to a timetable providing for self-rule in about two years, as well as for a significant increase in African representation on the present legislative council. The American Consulate General in Nairobi reports that spokesmen for Kenya's European settlers are "showing signs of	enyan Nationalists "Supremely Confidentitutional Conference	,	25X
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### III. THE WEST

### Increased Cuban Interest in Communist China

The Cuban revolutionary government,	, particularly pro-
Communist Defense Minister Raul Castro	
interest in Communist China. Laudatory	
eral recent Cuban visitors of Peiping's pr	ogress have had wide
	is reported to have
said he brought Raul Castro a verbal mes	
Communist foreign minister that 20 indus	
technicians already promised would arriv	
uary. An exposition of Chinese Communi	st products is also re-
portedly scheduled in Havana this month.	

Although Communist China has not increased its purchases of Cuban sugar over former years, it received a bargain price-below the already low world-market price--from the Castro government on a recent sale of 50,000 tons. Poland also received a bargain on an equal quantity. With an abnormally large carry-over from its 1959 crop and the 1960 harvest now under way, the Cuban Government--which traditionally controls sugar production and sales--may use such bargain transactions to further its determined policy of expanding its trade relations with all countries other than the US.

munist China is consistent with	Cuba's neutralist foreign policy.	
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### Rioting in Venezuela

The rioting in Caracas on 11 January began as a protest by a large number of unemployed against the recent reduction in the government's public works program and was exploited by agitators, probably including Communists, to embarrass President Betancourt's non-Communist coalition. Prompt police action has restored order. The government charged agents of former dictator Perez Jimenez with responsibility for the outbreak, as it did last August in the case of the only other serious rioting since Betancourt took office in February 1959. However, Communists and radical elements of the Democratic Republican Union party (URD), a dissatisfied component of the governing coalition, may have been the principal instigators. The strength of these two parties is concentrated in Caracas, where Betancourt's political support is weak.

The unrest came in the wake of a series of terrorist bombings since the first of the year and frequent rumors of military plotting and unrest during recent months. In addition, the regime has been confronted by friction within the coalition, a sharp decline in foreign exchange last fall which adversely affected business confidence, and potential labor strife in the key oil industry.

Although the government appears to be stable and to have support of the majority of the armed forces, a continuation of public unrest could provide dissatisfied military elements with a pretext for attempting a coup. The sabotage of the coalition by the URD, with the collaboration of the Communists and other opposition civilian elements, could also pose a threat to the stability of Betancourt's regime.	r
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Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

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Chairman, Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

The Counselor

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The Director of Intelligence and Research

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Commandant, United States Marine Corps

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Chief of Staff, United States Army

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Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

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